PRIVATE SECTOR COUNCIL

1101 16th Street NW, Suite 300 Washington DC 20036-4813 www.privsect.org

Phone: 202-822-3910 Fax: 202-822-0638

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The Honorable Rod Paige Secretary Department of Education 600 Independence Avenue, S.W., Room 6263 Washington, D.C. 20202

Dear Secretary Paige:

As you know, the Private Sector Council (PSC) worked with the National Academy of Public Administration in a project to help the Department of Education with human capital planning. On behalf of PSC I am writing to commend you and your leadership on the excellent work done on this project, and on the vision you have developed for a transformed "one-ED".

A.W. (Pete) Smith, Jr.

psmith@privsect.org

President & CEO

From our perspective, there are a number of noteworthy aspects to the outcome of this project:

- 1. The human capital plan is strongly aligned with your new vision and strategy for the Department, as well as the recommendations of the Management Improvement Team and the Culture of Accountability report.
- 2. Sensitive issues as organizational redundancy were tackled head on. The leadership team most closely involved with this project – Bill Leidinger, Mike Munoz, Ann Manheimer, Glenn Parrt=y, and Linda Stracke, worked diligently, diplomatically, and courageously to understand the issues and recommend actions that will help transform the way ED is managed, while building on its strengths.
- 3. Throughout the project, the focus has been on what would benefit ED in the long-term, not just short-term fixes. A clear example is the decision to approach restructuring through strategic investment – to evaluate and re-engineer operations rather than just redraw organization chats or line up functions for outsourcing. While this may not immediately produce OMB's desire results in terms of reduced numbers of superiors, organizational boxes, or layers, we would expect the end result to exceed OMB's expectations or guidelines. More importantly, this methodology will result in far more efficient and effective processes for the Department. PSC members from a myriad of private companies know that you cannot forecast the organization structure in a transformation such as One ED.

In a change effort of this magnitude, the hard work has just begun. Much effort will be required to help ED employees understand what you are trying to accomplish, align them with the strategic plan, and engage them to help make the needed changes. That said, you and your colleagues are to be commended for the extensive efforts that have been undertaken since you arrive at the Department and the excellent progress you are making.

Sincerely.

Pete Smith